

**MINUTES OF THE  
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE  
WEDNESDAY, FEBRUARY 2, 2005, 2:00 P.M.  
Room W135, West Office Building, State Capitol Complex**

Members Present:        Sen. Howard Stephenson, Co-Chair  
                              Rep. Gordon E. Snow, Co-Chair  
                              Sen. Karen Hale  
                              Rep. J. Stuart Adams  
                              Rep. Ron Bigelow  
                              Rep. Duane E. Bourdeaux  
                              Rep. LaVar Christensen  
                              Rep. Tim M. Cosgrove  
                              Rep. John Dougall  
                              Rep. James A. Ferrin  
                              Rep. Julie Fisher  
                              Rep. Karen W. Morgan

Members Excused:       Sen. Beverly Evans  
                              Pres. John Valentine  
                              Rep. Stephen H. Urquhart

Staff Present:            R. Michael Kjar, Legislative Fiscal Analyst  
                              Ben Leishman, Legislative Fiscal Analyst  
                              Cherie Schmidt, Secretary

Public Speakers Present: Edson Barton, CEO, ProCert Labs  
                              Rep. Last, H. B. 124 Enrollment Growth Program Amendments  
                              Rep. Newbold, H. B. 249 Carson-Smith Special Needs Scholarships

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Stephenson called the meeting to order at 2:20 p.m.

1.     Minimum School Programs - Voted Board Leeway - Michael Kjar, Legislative Fiscal Analyst, presented to the Committee the Issue Brief Voted and Board Leeway found in Tab 7 of the *Budget Analysis*. A revised version of this brief was given to the Committee members in Monday's meeting (January 31, 2005). A Voted Leeway is a state-supported program in which a levy approved by the school district electorate is authorized to cover a portion of the cost of operation and maintenance of the state supported Minimum School Program in a school district. State and local funds received by a school district under the Voted Leeway Program are free revenue and may be budgeted and expended for maintenance and operations as authorized by the local school board. To establish a Voted

Leeway Program, a majority of the electors of a school district voting at an election must vote in favor of the leeway. The Voted Leeway allows districts to levy a tax rate (up to 0.002000 including the Board Leeway levy) to generate property tax and state aid revenue to supplement the district Maintenance and Operations budget. State aid is calculated for each district based on a statutorily set dollar amount per 0.000100 of tax rate per Weighted Pupil Unit (WPU). In order to receive support the first year, a district must receive voted approval no later than December 1 of the year prior to implementation. The election must also occur prior to May 2 to be involved for the fiscal year beginning July 1 of that year.

Local school boards may levy a State Supported Board Leeway tax rate (of up to 0.00400) to maintain a school program above the cost of the basic program.

The State guarantee amount for the Board and Voted Leeway programs was suspended by the Legislature for two years and received only a partial increase for FY 2005. This action was due to the necessity of fiscal restraint but did begin again the incremental increase for FY 2005. The FY 2005 increase in the state contribution statute went from a guarantee of \$17.14 to \$17.54 per Weighted Pupil Unit. This was not the full increase according to statute, and so the law was changed to reflect a smaller increase.

The Analyst recommends funding the rate change according to the statutory provisions for FY 2006. The cost of the rate adjustment is \$6,463,941. This applies the factor of .008544 times the WPU prior year value of \$2,182 to provide \$18.64 per 0.0001 tax rate per WPU. For voting purposes, this change is incorporated into the total program. It is recommended that the increase of \$17,062,202 in the Voted Leeway Program be approved for a total FY 2006 program of \$176,146,444. The Board Leeway recommendation is for an increase of \$3,089,436 for a total program of \$48,446,452. Total state contribution for the two programs together is \$18,531,743. Tables on page ii of this brief recaps the new dollars in the programs for FY 2006 and the total program for FY 2006.

2. Approval of Minutes -

**MOTION:** Rep. Adams moved to approve the minutes of January 24, January 26, and January 27, 2005.

The motion passed unanimously.

3. ProCert Labs - Sen. Stephenson explained that ProCert Labs worked with the Committee last year on the RFP for educational improvement. They had been approved for funding by the Legislature but were vetoed by the Governor.

Edson Barton, CEO of ProCert Labs, addressed the Committee and explained that ProCert Labs is a focused competency-based education program. Mr. Barton stated that ProCert Labs solution is to measure, analyze, and fully report on instructional materials (textbooks, etc.) correlation to the Utah Core Curriculum Standards. The desired result of the proposal from ProCert Labs would be that every submitted text to the state be evaluated according to the core curriculum standards in Utah. Two funding options were presented to the Committee and were substantiated by a handout. Option I was based on 520 reviews at \$500 per review. The total appropriation request is \$381,000. Option II is based on 2,000 reviews at \$500 per review. The total appropriation request is \$1,381,000.

Committee members discussed the differences in the evaluation of textbooks done by ProCert Labs and the current methodology that is being used by the State for evaluation. The accuracy of these evaluations was also discussed. Patti Harrington, Superintendent, USOE, responded by stating that the process currently in place uses teacher volunteers for the evaluation of textbooks. The cost is less than \$150,000. A handout entitled *Current Services of the Instructional Materials Center (IMC)* was given to the Committee members. This document outlines the services that the Instructional Materials Center provides. These services are currently in place and available online and at no cost for Utah educators, parents, and citizens. Brett Moulding, USOE, explained that panels of teachers are brought in from the field to review all applications from publishers for use of instructional materials in Utah schools.

Mr. Barton responded to the question on the differences between ProCert Labs and the use of the Instructional Materials Center. He stated that the greatest efficiency of using the ProCert Labs process is that correlation between the textbook and the core curriculum is provided beforehand to a teacher. The teacher can then develop lesson plans that more effectively addresses the core curriculum. Mr. Moulding also stated that the Instructional Materials Center has an alignment to the core curriculum that is provided to teachers. He stated that professional teachers are now used to provide correlation of textbooks to the core curriculum.

4. Bills - Sen. Stephenson explained that Rep. Last would address the Committee concerning H. B. 124 Enrollment Growth Program Amendments, and how this bill would change the current Capital Outlay Foundation Enrollment Growth formula. Rep. Last stated that the bill makes one change in that it separates the Enrollment Growth money and the Capital Foundation money. A copy of the bill was given to the Committee members.

Rep. Newbold discussed H. B. 249 Carson-Smith Special Needs Scholarships. She requested \$1.4 million in ongoing funds for these scholarships. Rep. Newbold clarified the appropriation request by stating that the request is for general fund money. The bill

also includes a request that the money appropriated from last year remain at the State office.

Sen. Hale asked if clarification could be given to the Committee contrasting the High Risk Low Incidence Children appropriation with H.B. 249, and how those monies are distributed. Superintendent Harrington stated that when a student has difficulty in learning and permission to test has been given by the parent, testing is done specifically for that disability. A plan is then formulated to assist the student. Sometimes the disability is so severe that services cannot be found in the traditional school setting. Special schools may not be available, so private services are contracted out. Federal dollars flow down into the private contractor based upon the IEP which has been agreed upon by the school team and parents. H. B. 249 comes into effect when private contracting help is needed. State dollars rather than federal dollars are then used to support that student's placement.

Rep. Ferrin discussed H. B. 39 Tuition Tax Credits. In this year's bill, \$1 of credit is being given for every \$1 of tuition paid. A sliding scale will differentiate between low and high income families. The proposed high credit is \$3,750 for families that are below 100 percent of the Income Eligibility Guidelines for the Federal Reduced Price Lunch Program. This is a refundable credit available to families regardless of their income level. There is also a provision for a \$1.5 million appropriation general fund money to the State Office of Education for districts who can demonstrate that they have suffered some economic harm by the implementation of this policy. Also, included in the bill is an accountability provision whereby private schools will need to represent to parents that they are, indeed, a private school eligible for tax credits.

5. Subcommittee Prioritization - Sen. Stephenson requested that Committee members review the appropriation's list and add any other items as necessary.
6. Adjourn - Rep. Bourdeaux moved to adjourn.

Committee Co-Chair Stephenson adjourned the meeting at 3:43 p.m.

Minutes were reported by Cherie Schmidt, Secretary